OFFICE OF THE GOVERNOR

Governor Chet Culver ★ Lt. Governor Patty Judge

FOR IMMEDIATE RELEASE March 17, 2009

> Contact: Troy Price, Governor's Office (515) 281-0173 troy..price@iowa.gov

Roger Munns, Dept. of Human Services (515) 281-4848 rmunns@dhs.state.ia.us

GOVERNOR CULVER: FEDERAL RECOVERY BOOSTS FOOD BENEFITS TO IOWANS

DES MOINES – Beginning next month, the federal economic recovery package will mean additional help to many of lowa's lowest-income families, Governor Chet Culver announced today, as food assistance benefits are set to increase nationwide by 13.6 percent.

"During this time of economic uncertainty, I want to do everything we can to create new jobs as well as help lowans hurt by the recession," said Governor Culver. "Because of the leadership of President Obama and those members of Congress who supported the federal recovery plan, we can provide a little extra help to lowans in order to feed themselves and their families."

"This is especially welcome news for unemployed or under-employed lowans as they wrestle to make ends meet in a stagnant economy," said Gene Gessow, director of the lowa Department of Human Services. "And while the prime purpose is to provide nutritional assistance for people in need, an important secondary benefit is additional economic activity."

A record 289,000 lowans – about half of them children – received food assistance in February, up 15 percent from a year ago.

The current average household benefit is \$235 per month or about \$108 per recipient, which amounts to a little more than a dollar per meal. The average monthly household benefit will increase about \$32 beginning in April.

Recipients of food assistance, formerly known as food stamps, spent about \$31.3 million in lowa grocery stores in February. The program is administered by the DHS but benefits are 100 percent federal dollars. The U.S. Department of Agriculture estimates that \$5 spent on food generates \$9 of economic activity.

The new benefit level will likely last for several years. Benefits will remain stable until the cost of living adjustments, which normally trigger benefit increases each fall, catch up to the accelerated rates.

lowa is serving an estimated 71 percent of eligible people (per USDA estimate for 2006), which ranks lowa 20th. lowa was ranked 39th five years ago.

Benefits depend on family size, income, and resources. Eligibility is restricted to households earning no more than 130 percent of the federal poverty level, or about \$22,800 for a family of three. Eligible families also must have resources of no more than \$2,000, not including a home or first car, with higher levels allowed for the elderly or disabled.

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NOTE: To learn more about food assistance and eligibility, people can complete a simple four-question form online that provides an estimate of eligibility at https://dhssecure.dhs.state.ia.us/yesfood/. Eligibility forms are available at all DHS offices or online at https://dhssecure.dhs.state.ia.us/faweb/. Interviews are required for applicants.